1		2	3
3.	Power Grid Corporation of India Limited	1000	To strengthen the transmission system in order to increase reliable power exchange between the regions and States of India.
4.	Small & Medium Enterprises Additional Financing	200	Project support the Government of India's Program to improve SME access to finance (including term finance) and business development services, thereby fostering SME growth competitiveness and Employment creation.

Relaxation of fiscal consolidation targets of States

464. MS. MABEL REBELLO: Will the Minister of FINANCE be pleased to state:

(a) whether the Centre has relaxed fiscal consolidation targets of States to permit them an additional combined borrowing of Rs. 21000 crores during the current fiscal to combat economic slowdown;

(b) whether Government's move has gone a long way in raising impact of slow down and accelerating growth in medium term;

(c) whether under Debt Consolidation and Relief Facility (DCRF) Centre provides debt and interest relief to those States who meet their physical deficit targets; and

(d) if so, to what extent this decision of allowing States to borrow more has helped in meeting financial crises of States and to what extent it has been helpful to the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) The Fiscal Deficit target for States for 2009-10 has been relaxed from 3% to 4% of States' respective Gross State Domestic Product (GSDP), to enable States to borrow upto 4% of their GSDP as projected under the Debt Consolidation and Relief Facility (DCRF) guidelines, to undertake capital expenditure.

Twelfth Finance Commission (TFC) recommended the DCRF over the period 2005-10. The Scheme has two components - (i) consolidation of central loans (from Ministry of Finance) contracted till 31.3.2004 and outstanding as on 31.3.2005, and (ii) provision of interest relief and grant of debt waiver to States based on their fiscal performance. Consolidation of central loans has given interest relief to States. Debt waiver is granted to States based on their fiscal performance, for which an assessment is made annually. Benefits under DCRF helped States by easing debt and interest pressures, and also incentivised States to follow the path of fiscal correction. This has facilitated the states to focus investment on development.

Higher borrowings on account of relaxation of fiscal deficit target for 2009-10 will enable states to commit funds for capital expenditure, which will help in accelerating the growth revival in the medium term.

New ground handling policy

465. SHRI M.V. MYSURA REDDY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the salient features of the proposed new ground handling policy;

(b) the details of international standards of ground handling services;

(c) how the proposed policy is different from the existing policy;

(d) whether there is any opposition of this proposal from service providers, including the Air India;

(e) if so, the reasons therefor; and

(f) how Government is planning to address the concerns of the stakeholders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Airports Authority of India (AAI) (General Management, Entry for Ground Handling Services) Regulation, 2007 were notified on 18.10.2007 in respect of airports managed by AAI and *vide* A/C No. 7/2007 dated 28.09.2007 by Directorate General of Civil Aviation for other airports. The following entities are eligible to undertake ground handling at -

(A) All metropolitan airports *i.e.* Delhi, Mumbai, Chennai, Kolkata, Bangalore and Hyderabad-

(i) The respective airport operator itself or its joint venture partner.

(ii) National Aviation Company of India Ltd. and its subsidiaries/joint venture companies specialized in ground handling services. Third party handling will also be permitted to these subsidiaries.

(iii) Any other ground handling service selected through competitive bidding by the airport operator.

(B) At all other airports, in addition to the entities mentioned above, self handling is also permitted to the airlines excluding foreign airlines.

(C) Airlines or entities presently involved in ground handling, which are not covered under the policy, enunciated in (A) and / or (B) above will not be permitted to undertake self-handling or third party handling with effect from 01.01.2010.

(b) The available details of international standards of Ground Handling Services are as under:

European Commission - Freedom of self handling which applies to any airports regardless of its volume of traffic. However, for the following four categories of ground handling services Member States may reserve the right to self-handle to no fewer than two airport users at airports with more than one million passenger movements or 25,000 tonnes of freight per annum:- baggage handling; ramp handling; fuel and oil handling; and freight and mail handling.